



*State of Louisiana*  
DIVISION OF ADMINISTRATION

OFFICE OF STATE UNIFORM PAYROLL

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June 23, 2003

OFFICE OF STATE UNIFORM PAYROLL MEMORANDUM #2003-69

TO: All ISIS HR Paid Agencies

FROM: Jena W. Cary  
Director

SUBJECT: New Federal Tax Rate Schedules

The revised Federal tax tables for income tax withholding were updated in ISIS HR on June 20, 2003, and will be used to calculate tax deductions for Period 13-2003 payments. A message will appear on the June 27, 2003 remuneration statements advising employees **that their net pay may change due to the new tax rates for 2003.**

The tables reflect changes made by the Jobs and Growth Tax Relief Reconciliation Act, which President Bush signed on May 28, 2003. The tables incorporate tax rate changes for most taxpayers and the higher standard deduction for married couples.

If a retroactive activity triggers the recalculation of the employee's period 11-2003 and/or 12-2003 payroll results during Period 13-2003 or in any future period processing, employees for whom taxes were over withheld may see a small refund of federal taxes. However, for employee's whose taxes were under withheld, retroactive processing will not trigger the withholding of additional taxes.

IRS Publication 15-T, New Withholding Tables, revised for June 2003 has been released electronically. This publication is available on the IRS website (<http://www.irs.gov/pub/irs-pdf/p15t.pdf>).

Note: In addition to the new tables, the new publication includes a special "Notice to Employees" that agencies **must** "make available" to employees so that they will be aware of how the new law affects their withholding, according to IRS.

Direct all questions to a member of the OSUP Wage and Tax Administration Unit at (225):

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JWC:THA:kmb